CBI
Ministry of Foreign Affairs

Programme Management Manual

CBI

Preface

This CBI Programme Management Manual is an updated version of previous editions (2011 and 2014). The current update was initiated as a response to the new CBI strategic plan (2016-2020). CBI's five-year strategy underlines the need for increased focus, synergy and cooperation. This revised strategy has resulted in a series of undertakings, which range from a revision of the organisational structure, via a stricter selection of target countries and sectors, to a joint effort in 2017 to realise a balanced CBI portfolio in the coming years.

The processes of project development and project management described in the present manual are meant to support this strategy. The need for increased focus resulted in two major changes to the manual:

- A thorough revision of the methodology for Value Chain Selection, including the development of a decision framework that enables CBI to realise a balanced project portfolio;
- An adjusted result chain with altered key indicators that encompass the mandatory indicators for Private Sector Development Programmes, as supported by the Ministry of Foreign Affairs.

The wish for increased synergy and cooperation is illustrated by the "process maps" attached to this manual, which describe the role of all major stakeholders in each step of every phase. This wish also inspired us to involve many internal and external stakeholders in updating the manual:

- The Monitoring & Evaluation methodology was updated with input from the Programmatic Cooperation Team.
- The Ministry of Foreign Affairs was consulted on the Decision Frameworks and on Monitoring & Evaluation.
- Various national and international organisations reviewed the VCS/VCA methodology.
- CBI external experts were asked for input on the Implementation chapter and annexes.
- Internally, meetings were organised to discuss further alignment with the RVO approach and procedures.

Another newly introduced element in our programme management is setting up a Programme Committee. As in other RVO programmes, a Programme Committee was installed to advise CBI's Managing Director on the selection of value chains and Business Cases. The committee consists of two RVO colleagues, two CBI Team Managers and an observer from the Ministry of Foreign Affairs. Working with this committee also generates focus, cooperation and synergy.

CBI has come to realise that the Programme Management Manual is a "living document". The years 2017/2018 are special years, as many programmes are completed in 2016/2017. In 2017/2018, many new projects will start. Consequently, CBI will invest heavily in project development for 2017/2018: all Programme and Project Managers go through the consecutive phases of this manual in the same manner. Each phase is initiated by a joint kick-off and evaluated together. By following this procedure, we will be learning along the way.

Last but not least, especially when we enter the Implementation phase, we expect that several more annexes will be added such as "Revision of the company audit", "Guidelines for recruitment and selection of companies" or "Effective collaboration with experts"; these annexes capture CBI's 25+ years of experience in these areas.

This version of the manual has been realised with the input of many colleagues. Liesbeth Hofs, Martin Hulst and Anne Wensveen did most of the consultation and writing. Eva Smulders, Henrique Postma, Cécile Fassaert and Erik Plaisier delivered indispensable input and feedback on draft versions. Peter van Gilst, Renee Boelaars, Daphne ter Braak, Wim van Heumen, Patrick Gouka, Hugo Verhoeven, Marije Maessen and Melanie van der Baaren-Haga gave valuable input during different consultation sessions and Eran Zoref revised the lay-out of the programme management manual.

Janneke Vereijken
CBI Programme Coordinator

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List of acronyms and abbreviations

BC	Business Case
BCI	Business Case Idea
BEC	Business Export Coaching
BSO	Business Support Organisation
CAM	Country Account Manager
CBI	Centre for the Promotion of Imports from developing countries
CSR	Corporate Social Responsibility
DCED	Donor Committee for Enterprise Development
DDE `	Directie Duurzame Economische Ontwikkeling
DGIS	Directoraat-Generaal Internationale Samenwerking
EE	External Expert
EEE	Export-Enabling Environment
EMP	Export Marketing Plan
FO	Financial Officer
FS	Fragile State
IATI	International Aid Transparency Initiative
IOB	Inspectie Ontwikkelingssamenwerking en Beleidsevaluatie
KPI	Key Performance Indicator
LDC	Least Developed Countries
LEE	Local External Expert
M&E	Monitoring and Evaluation
MI	Market Intelligence
MfDR	Managing for Development Results
MT	Management Team
NGO	Non Governmental Organization
PI	Performance Indicator
Pm M	Programme Manager
Pj M	Project manager
PSD	Private Sector Development
PO	Project Officer
RVO.nl	Netherlands' Enterprise Agency
SAM	Sector Account Manager
SDG	Sustainable Development Goal
SME	Small and Medium Enterprises
Team EPM	Team Export Programme Management (1 and 2)
Team EPST	Team Export Programme Support
TM	Team Manager
TPO	Trade Promotion Organization
ToR	Terms of Reference
VC	Value Chain
VCA	Value Chain Analysis
VCS	Value Chain Selection
EU/EFTA-market	European Union and European Free Trade Association-market

CBI and Programme Management

CBI and Programme Management

Mission

The mission of the Centre for the Promotion of Imports from developing countries (CBI) is to connect small and medium-sized enterprises in developing countries to the European market and thereby contribute to sustainable and inclusive economic growth.

Our guiding principles

Trade is a useful instrument to stimulate economic growth and promote employment. By helping small and medium-sized enterprises (SMEs) in developing countries to enter the European market, we promote the integration of these countries in global value chains. In this way, we assist these countries, entrepreneurs and employees in benefiting from the advantages that trade brings.

We aim to improve exports not just in terms of quantity but also in terms of quality. Corporate Social Responsibility (CSR) is an important part of all our activities. When we choose sectors and countries to start new projects, or when we select companies to participate, we do not just assess their opportunities on the European market – we also look for opportunities to reduce CSR risks. CBI sets the standard on "do no harm" and looks for opportunities to "do good" whenever possible.

CBI's field of action is situated at the interface between aid and trade. Its integrated projects focus on facilitating access to the European market for SMEs in Least Developed Countries (LDCs), fragile states and other developing countries, supported by an export-enabling environment. A favourable business climate promotes economic growth and combats poverty.

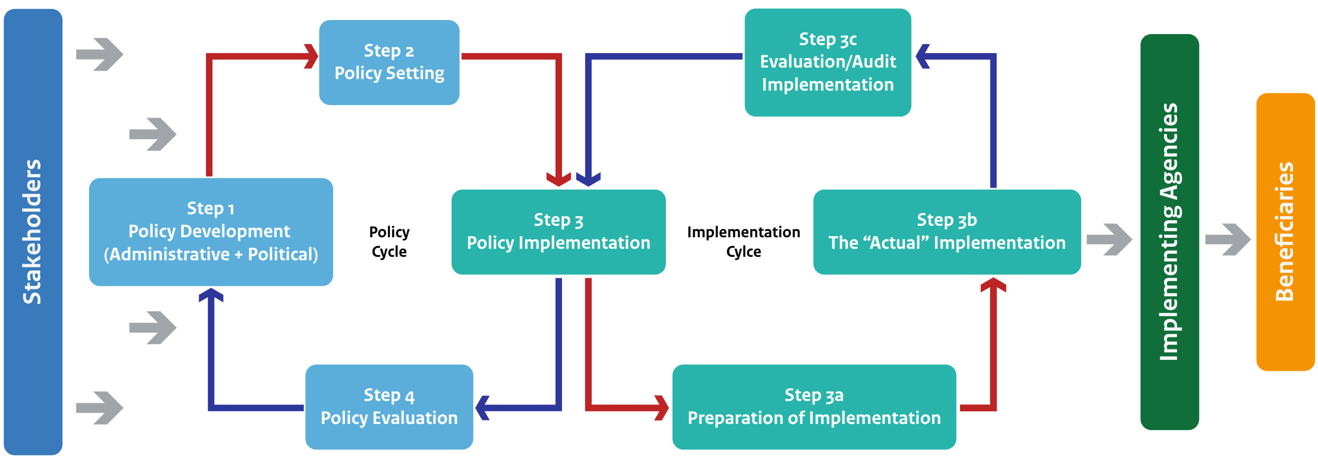
As a result, CBI contributes to the United Nations' 2030 development agenda, Global Goal 8:

To promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

In this manner, CBI programmes contribute to the aid and trade agenda[1] of the Minister for Foreign Trade and Development Cooperation. CBI receives its assignment[2] from the Ministry of Foreign Affairs to implement programmes which stimulate Private Sector Development (PSD) in developing countries. Just as the other PSD programmes of the Netherlands Enterprise Agency (RVO.nl), CBI contributes to Section 1.3 of the Budget of the Minister for Foreign Trade and Development Cooperation: a strengthened private sector and an improved investment climate in developing countries.

The model below illustrates the interaction between policy development (Ministry of Foreign Affairs) and implementation (CBI). Insights from CBI's programme experiences and evaluations feed the policy development of the Ministry of Foreign Affairs and substantiate its agenda.

***Figure 1**: Interaction between Policy Development and Implementation*



[1] Policy memorandum "Wat de Wereld Verdient: Een nieuwe agenda voor hulp, handel en investeringen".
("A World to Gain: A New Agenda for Aid, Trade and Investment").

[2] In Dutch: "opdracht".

Our approach: integrated projects

CBI conducts comprehensive, integrated projects that involve exporters, importers, Business Support Organisations, government authorities and other key stakeholders.

These projects:

1. **Start from export potential -** Promising markets (demand side) and promising sectors with sufficient SMEs that are willing to export on the short, medium or long term (supply side) are the starting point for every project.

2. **Are context-specific and needs-based** - CBI interventions are tailor-made, with a country- or sector-specific angle that addresses the thematic needs on the basis of bottlenecks identified in the Value Chain Analysis.

3. **Require an export-enabling environment** - CBI assesses opportunities and risks in the entire sector or value chain and takes into consideration whether there is sufficient potential to influence this process in such a way that the export-enabling environment becomes more favourable to exporting SMEs.

4. **Seek alignment** - CBI aligns its interventions with other Private Sector Development (PSD) organisations and Dutch embassies to increase efficiency and effectiveness.

5. **Provide technical assistance** - CBI interventions focus on the transfer of knowledge, competences and market intelligence.

6. **Are managed for results** - CBI is result-driven and is committed to the principles of Managing for Development Results. CBI is able to work cost-effectively and achieve results.

7. **Adhere to the DCED Standard** - CBI's monitoring and evaluation practices comply with the Donor Committee for Enterprise Development (DCED) Standard.

8. **Add value** - CBI interventions contribute to development, poverty alleviation and/or job creation.

9. **Recognize CSR** as the business approach that contributes to sustainable development by delivering economic, social and environmental benefits to all stakeholders[3]. Due diligence is the starting point for all operations: CBI sets the standard on "do no harm" and looks for opportunities to "do good" whenever possible.

What we do:

- Offering business export coaching to prepare SMEs in developing countries for the export market;
- Providing technical support to Business Support Organisations in developing countries so as to increase the added value for their exporting members;
- Developing market information on potential export sectors in Europe;
- Informing and influencing policymakers;
- Involving importers in the development and implementation of our projects.

The manual: an overview of CBI's Programme Management

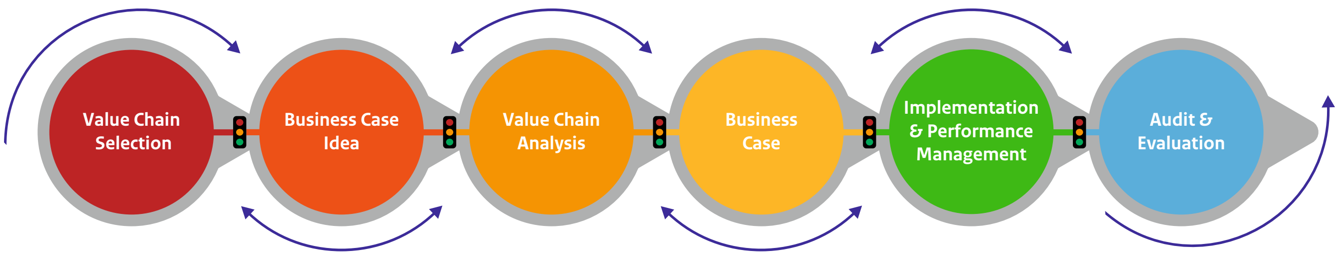
This manual provides practical support for our Programme Managers on how to design, implement and monitor a CBI project. The manual guides you as a Programme Manager through each step of the programme management process. CBI projects go through a six-phase cycle from the initial selection of value chains to the evaluation of the project. These six phases form the structure of this manual, which describes how these projects are developed and implemented. The manual provides tools, best practices, templates, roles and responsibilities per phase. While the process is comprehensively described, there is still sufficient opportunity for you as a Programme Manager to design the Business Case and intervention strategies as you see fit in order to meet specific challenges in specific countries and in specific value chains.
Within one month after your final project activity, you close your project administration. You update the status of companies and BSOs in HBAT/Sage and send a request for closure in EBS to the Financial Officer. The list of actions that you need to take
Within one month after your final project activity, you close your project administration. You update the status of companies

[3] CBI pays special attention to children's rights, workers' freedom, human rights, fair labour practices, health and safety, the environment, and transparency and traceability in the supply chain, pursuant to OECD Guidelines and UN principles on CSR.

CBI works in country programmes, which are composed of projects. Each project targets a specific value chain in a specific country. All of these projects should contribute to CBI's overall mission of connecting small and medium-sized enterprises in developing countries to the European market and thereby promoting sustainable and inclusive economic growth.

Each CBI Business Case describes CBI's added value, objectives, interventions, result chain and budget for a project in one sector in one country for a period of three to five years. Once approved, the Business Case is further specified in a project plan to be developed in the first step of the Implementation phase. The project plans describe, among other things, the planned activities and assigned responsibilities within the project. All projects together form the CBI country programme, which is contained in the Country Programme Document. This document describes the country context, sector developments and interrelationships between projects.

***Figure 2**: Project Management Cycle*



Phase Explanation

Phase	Explanation
Phase 1: Value Chain Selection (VCS) *Go/no-go decision:* Programme Committee	CBI's goal is to connect SMEs in developing countries to the European market. For a project to be successful, it is essential that you focus on products with opportunities (sufficient demand) on the European market. The goal of the Value Chain Selection (VCS) phase is to identify the most promising value chains (VC) for CBI interventions. A promising value chain shows sufficient export potential for SMEs in the VC of the specific country, but also opportunities to work with or towards responsible SMEs (CSR) in or towards a favourable institutional environment. For the most promising VCs, you will develop a Business Case Idea (BCI).
Phase 2: Business Case Idea *Go/no-go decision:* Programme Committee	In your Business Case Idea, you describe the opportunities and added value that you foresee for a CBI project in the selected value chain in a specific country. Your Business Case Idea will describe the focus of a potential project in this VC. You also write down the most important questions on the value chain that need to be answered before CBI can start to design a Business Case for a project. In your BCI, you describe the methods that you will use to answer these questions in the Value Chain Analysis (VCA) phase.
Phase 3: Value Chain Analysis (VCA) *Go/no-go decision:* Programme Committee	The VCA phase provides an in-depth understanding of the value chain and answers the questions that you identified in your BCI. If the VCA phase confirms the viability of a project, you finalise your BCI and pitch the project. The Programme Committee conducts a final check whether your BCI complies with guidelines for approval and whether it is compatible with the CBI portfolio. If your pitch is accepted, you will start writing your Business Case.
Phase 4: Business Case *Go/no-go decision:* Management Team	A Business Case (BC) describes the added value, objectives, interventions, result chain and budget of a project in one sector and one value chain for a period of three to five years. It contains a result chain, the Key Performance Indicators (KPI), a description of possible intervention strategies and an M&E plan. While developing your BC, you can draw inspiration from tested CBI interventions. After the approval of the Management Team, the Business Case is ready for implementation.
Phase 5: Implementation & Performance Management *Go/no-go decision:* Management Team	The Team Manager appoints Programme and/or Project Managers. You develop your Project Plan and start the implementation of your project by selecting companies and setting up collaboration with other stakeholders. It is likely that you are working with other colleagues on the same project. You collect baseline data and monitor the project's progress. On an annual basis, you review your progress by writing progress reports. A revised project planning, or even an amendment to your Business Case, can be the result. After the first 1.5 years of implementation, you discuss with your Team Manager whether or not your original Business Case needs to be amended.
Phase 6: Audit & Evaluation	In Phase 6, you complete your project. You administratively close the project, archive the main documents, initiate the audit and (optionally) ask the M&E Team to consider the project for the evaluation planning.

Definitions
The terms used in this manual are based on international terminology.
The manual includes a list of definitions for the terms used (see Annex 0.1).

Background information
To use this manual effectively, you should familiarise yourself with the CBI Strategy 2016-2020. You can also read more about the DCED Standard for results measurement and other background literature on export-related Value Chain Development, Managing for Development Results and programme management. Some examples of sources:

- **MfDR Sourcebook**
  http://www.mfdr.org/Sourcebook/1stEdition/4-MfDRPrinciples.pdf
- **DCED Standard for Results Measurement: A summary**
  http://www.enterprise-development.org/wp-content/uploads/OnePageSummary-8Apr16.pdf
- **The 2017 Reader on Results Measurement – Current thinking on the DCED Standard**
  http://www.enterprise-development.org/wp-content/uploads/DCED_Reader_March2016.pdf
- **Good Practices Resource: Monitoring and Measuring Results in Private Sector Development (SDC)**
  http://www.enterprise-development.org/wp-content/uploads/SDC_MRM_good_practices_2016.pdf

How to use this manual
This manual consists of six chapters. Each chapter focuses on one phase of CBI's Project Management cycle and includes the goal, the duration of the phase, the roles and responsibilities of those involved, and the deliverables. In addition, each chapter contains a brief explanation of the phase and a number of annexes. These annexes comprise process maps with more detailed descriptions of the steps that you need to take in each phase as well as guidelines, templates, cases and examples to support you.

Managing for Development Results (MfDR) and the DCED Standard

Through the 2005 Paris Declaration on Aid Effectiveness and the Accra Agenda for Action, development partners have committed to manage and implement aid in a way which focuses on development outcomes and impacts, and which uses performance information to improve decision-making. The Millennium Development Goals, and more recently the Sustainable Development Goals, have further solidified the pivotal role of the results-based approach in global efforts to improve aid effectiveness. Managing for Development Results (MfDR) is a management strategy centred on strong notions of goal orientation and continuous improvement. It emphasises the importance of reviewing progress towards results, learning from what does or does not work and adjusting the overall plan if necessary.

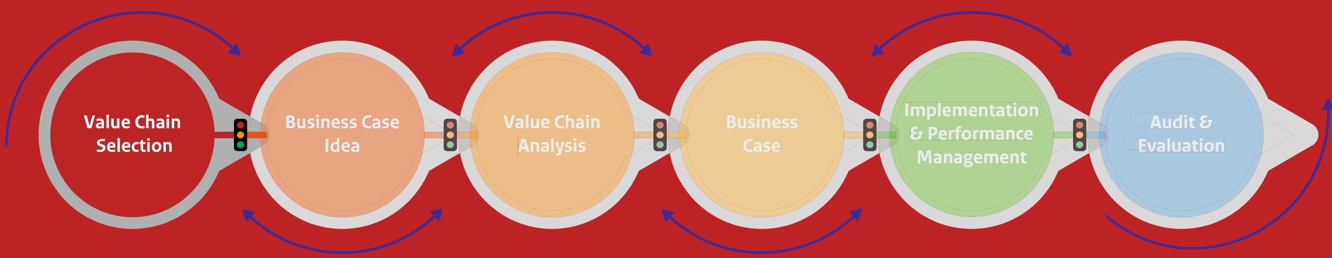
Principles of Managing for Development Results:
1. Focus the dialogue on results at all phases of your programme.
2. Align actual programming, monitoring and evaluation activities with the agreed expected results.
3. Keep measurement and reporting simple.
4. Manage for, not by, results, by arranging resources to achieve outcomes.
5. Use results information for management learning and decision-making, as well as for reporting and accountability.

For Private Sector Development programmes such as CBI, the international DCED Standard is leading. The DCED Standard is a quality control standard which ensures that programmes develop and use a customised Monitoring and Results Measurement system. The PM Manual adheres to this standard.

Annex 0.1: List of definitions, roles and responsibilities
Annex 0.2: CBI Programme Management (visual)

1

Value Chain Selection



Phase 1: Value Chain Selection

Duration: 3-6 months.

Where are you now?
You are at the start of the CBI Programme Management cycle. In the first three phases of this cycle, you will conduct the necessary steps to develop a Business Case for your project.

Goals of phase 1
The goal of this phase is to identify and select the most promising Value Chains (VCs) for CBI projects. Generally speaking, a value chain (VC) is a connected set of step-by-step activities which starts from the raw materials and continues through producing, buying, selling, processing, and so on, to end up as a product or service on an end market. In practice, it is hard to determine what exactly can be considered a VC. In this methodology, we consider a group of products which end up on the same market and which go through the same channels as a VC.
For the most promising VCs, a Business Case Idea can be developed (see Phase 2).

Roles & responsibilities

- The **Team Managers** designate project teams, and provide support to these teams in realizing the deliverables.
- **Country Account Managers (CAM)** take the lead and have final responsibility for deadlines and for the quality of the VCS.
- A **Project Manager** provides input, offers support in fact-finding and can take on tasks of the **Country Account Manager**.
- A **Market Intelligence Programme Manager** provides support in following the methodology and provides input.
- An **Intern** can be engaged for fact-finding (under supervision of the **Country Account Manager**).
- A **Project Officer** can be involved for certain support tasks.

Mandatory Involvement

- Market Intelligence Programme Manager responsible for the sector.
- CSR Programme Manager.
- Sector Account Managers responsible for the VCs.
- RVO Private Sector Development coach.
- CBI Programme Coordinator.
- Dutch embassies.

For more detailed information on roles, responsibilities and tasks, see the Process Map (Annex 1.1).

Deliverables

- Fact sheet for each shortlisted VC;
- VCS document according to the template in Annex 1.5;
- VCS scoring form;
- Decision on developing a Business Case Idea(s), as well as a decision on the budget that will be made available for developing a Business Case Idea(s).

Annexes to support you during this phase:

- Process Map: Phase 1 (Annex 1.1);
- Methodology: How to draw up a short list of potential Value Chains (Annex 1.2);
- Methodology: Criteria for the VCS, incl. mandatory resources to consult (Annex 1.3);
- VC Fact Sheet Template (Annex 1.4);
- VCS Document Template (Annex 1.5);
- VCS Decision Framework (Annex 1.6);
- VC Scoring Form Template (Annex 1.7).

Go/No go

The selected VCs are submitted to a Programme Committee, which advises the CBI Managing Director about the selection of VCs to be developed into a Business Case Idea based on a Decision Framework (see Annex 1.6). The CBI Managing Director decides for which of the VCs a Business Case Idea can be developed and what budget will be made available.

Explanation

The goal of CBI is to connect SMEs in developing countries to the European market. For a project to be successful, it is essential to focus on products for which there are opportunities on the European market (EU-28 and EFTA).

You start this phase by making a short list of VCs with potential for export to the European market (see Annex 1.2 for more information on how to make this short list). These VCs have to be part of one of CBI's 14 focus sectors:

- Apparel;
- Cocoa and Cocoa Products;
- Coffee;
- Fish and Seafood;
- Fresh Fruit and Vegetables;
- Grains, Pulses and Oilseeds;
- Home Decoration and Home Textiles;
- Natural Food Additives;
- Natural Ingredients for Cosmetics;
- Natural Ingredients for Health Products;
- Outsourcing;
- Processed Fruit and Vegetables and Edible Nuts;
- Spices and Herbs;
- Tourism.

For each of the VCs on the short list, you have to answer a set of questions using several mandatory sources (see Annex 1.3). For example, there are questions related to:

- Production;
- European market demand;
- European requirements;
- Potential for local value addition;
- SME involvement;
- Responsible supply chains;
- Decent work;
- Inclusive supply chains;
- CBI experience in this VC;
- Dutch development cooperation;
- Employment.

You can incorporate the answers to these questions in a fact sheet (Annex 1.4).

After you have answered the questions, you have to organise a scoring session. The reason for scoring is to enable the Programme Committee to compare VCs both within a country and across countries and sectors, as well as to judge which VCs are the most promising for project development.

Of course, scoring objectively is difficult. Much depends on interpretation, personal experience, the amount of information available, and so on. For this reason, a broad group of people must be invited to the scoring session. Another important goal of scoring is to start a wider discussion on the potential of these VCs. For guidelines related to scoring, whom to invite, and so on, see Annex 1.1. During the scoring session, the scoring form in Annex 1.7 is used.

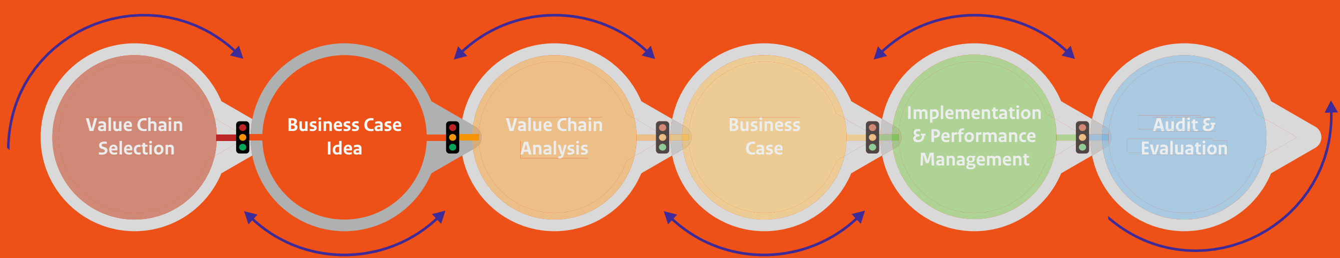
After the scoring session, the CAM selects the most promising VCs. The selected VCs are submitted to a Programme Committee, which consists of CBI Team Managers and RVO colleagues. A representative of the Ministry of Foreign Affairs acts as an observer. For instructions on how information about the proposed VCs should be submitted, see Annex 1.1 and Annex 1.5.

The Programme Committee assesses the selected VCs on the basis of a Decision Framework (see Annex 1.6) and advises the CBI Managing Director on the selection of VCs to be developed into a Business Case Idea. Elements that the Programme Committee will take into consideration when assessing the selected VCs:

- Available budget for new projects;
- Completeness and quality of the VCS;
- Convincing motivation from the viewpoint of economic development;
- Convincing motivation from the viewpoint of development-related contribution;
- Balance of VCs in Least Developed Countries (LDC) and fragile states (FS) versus others developing countries (at least 50% of the financial means of CBI will be allocated to projects in LDCs and FSs);
- Balance of VCs in terms of sectors (not too many projects in one sector and at least one project in each CBI sector);
- Balance of VCs in terms of geographical distribution;
- Balance of VCs focusing on specific issues such as CSR, cooperation within RVO and/or with national and international PSD organisations, or opportunities for Dutch enterprises/the Dutch economy.

The CBI Managing Director decides for which of the VCs a Business Case Idea can be developed, taking into account the advice of the Programme Committee and the Decision Framework. In addition, the CBI Managing Director decides what budget will be made available for the development of a Business Case Idea.

2
Business Case Idea



Phase 2: Business Case Idea

Duration: 6-8 weeks.

Where are you now?
The most promising VCs have now been selected. You have received approval and a budget to develop a Business Case Idea (BCI).

Goals of phase 2

- Validate the findings from the VCS phase;
- Develop your ideas of what a project could look like in the selected VC (including aspects such as key opportunities and key obstacles, possible solutions, ambitions, possible results, duration, budget needed, opportunities for cooperation, CSR risks and opportunities, involvement of importers);
- Prepare for the VCA phase, to make sure that it will result in the most interesting results being developed into a Business Case (formulating specific research questions, designing methods to answer these questions, determining what budget you need);
- Obtain approval to start the VCA phase.

Roles & responsibilities

- The **Team Managers** designate project teams, and provide support to these teams in realizing the deliverables.
- The **Country Account Manager** takes the lead, has final responsibility for deadlines and for the quality of the BCI, and presents the BCI to the Programme Committee.
- A **Project Manager** is involved (taking on different tasks of the CAM, such as going on a mission to the target country, having meetings with stakeholders, doing additional research).
- A **Project Officer** can be involved (monitoring deadlines, making to-do lists, planning meetings, keeping an archive of relevant documentation).
- An **intern** can be involved for fact-finding (only under supervision).

Mandatory Involvement

- The Market Intelligence Programme Manager responsible for the sector (provides support in following the methodology, involving importers, helping to formulate research questions, choose research methods and prepare the budget needed for the VCA phase);
- The Programme Manager CSR;
- The Sector Account Manager responsible for the VC (overseeing contact with consultants and the European industry, providing input, aligning BCIs that focus on the same VC in different countries);
- RVO Private Sector Development coach;
- Dutch embassies.

For more detailed information on roles and responsibilities, see Annex 2.1.

Deliverables

- BCI according to the template in Annex 2.3;
- Decision on starting the VCA phase.

Annexes to support you during this phase:

- Process Map: Phase 2 (Annex 2.1);
- Methodology: Guidelines for formulating research questions and choosing research methods for the VCA phase (Annex 2.2);
- Business Case Idea Template (Annex 2.3);
- BCI Decision Framework (Annex 2.4).

Go/No Go

The BCI is presented to a Programme Committee, which advises the CBI Managing Director on whether or not to start the VCA phase (for this framework, see Annex 2.4). The CBI Managing Director decides whether the VCA phase can start and what budget will be made available.

Explanation
In this phase, you develop initial ideas about a possible project in the selected VC.

This process comprises your initial ideas on:

- Key opportunities and key obstacles in the VC;
- Solutions that are needed to seize opportunities and tackle obstacles;
- The ambitions of a project (for example, considering what a project could contribute in terms of economic development and how you can contribute to the Sustainable Development Goals (SDG));
- The results that you intend to achieve (results in terms of export growth, growth in employment);
- The duration of a project;
- The budget needed;
- Opportunities for cooperation (with Business Service Providers in the target country, RVO Private Sector Development instruments, Dutch embassies and international organisations);
- The presence of high CSR risks (in terms of working conditions, child labour, forced labour, environmental issues) or large opportunities (in terms of involving communities, gender/women entrepreneurship or youth, among other things);
- Ways to involve importers.

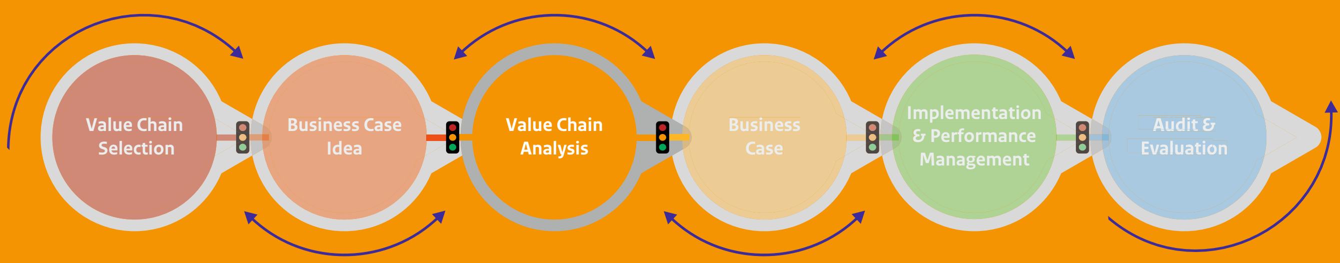
As a starting point from which to develop your initial idea, you use the information gathered during the VCS phase. To help you develop your ideas, you should also speak to relevant stakeholders, both in the target country (Trade Promotion Organisations, Sector Associations, Government personnel, Dutch embassies, international organisations) and in Europe (importers, wholesalers, NGOs, Sector Associations, organisations that focus on Private Sector Development or import promotion, consultants). You can also make use of sources such as VCAs that have already been conducted.

Developing your initial ideas will help you to formulate very specific research questions for the VCA phase. By asking specific research questions, you receive more relevant information from the VCA phase for the development of a Business Case.

With specific research questions in mind, you are also better able to select the most effective research methodology (for examples, see Annex 2.2) and come up with a budget. Every VCA phase needs to include a VCA study. In addition, you can opt for alternative ways to gather information such as product/market testing, peer group sessions with European traders, strategic conferences, audits, workshops with SME exporters or market studies.

Based on your initial ideas, a Programme Committee can advise the Managing Director on whether or not the VCA phase can be started for the selected VC. For this purpose, the Programme Committee makes use of the BCI Decision Framework (Annex 2.4). The CBI Managing Director decides whether or not you can continue and what budget will be made available.

3 Value Chain Analysis



Phase 3: Value Chain Analysis

Duration: Average 6 months.
(min. 15 weeks, max. 36 weeks).

Where are you now?
You have now verified your initial findings and developed a Business Case Idea. You have formulated research questions, chosen methods to answer these questions and received your budget for the VCA phase.

Goals of phase 3
To develop a Business Case, you need an in-depth understanding of the VC on which you want to focus. In the Value Chain Analysis (VCA) phase, you must find answers to the questions that you have formulated in your Business Case Idea according to the methods that you have chosen.
In addition to an understanding of the specific issues on which you want to focus in your Business Case, you at least need to have a thorough understanding of the following:

- European market for the products of the VC and the competitive position of the VC in the target country;
- Composition, structure and sustainability of the VC;
- Key obstacles to export growth and competitiveness, and the key opportunities in the VC;
- Solutions which could help to overcome constraints or seize opportunities (examples of solutions and intervention ideas can be found in Annex 4.3).

After gaining an in-depth understanding of the VC, a decision should be made on developing a Business Case for the VC in this specific country.

Roles & responsibilities

- The **Team Managers** designate project teams, and provides support to these teams in realising the deliverables.
- This phase is the responsibility of a selected **Programme Manager** (which can be the **Country Account Manager**).
- The **Market Intelligence Programme Manager** who is responsible for the sector is in the lead for developing the VCA study.
- The **Programme Manager** takes the lead.
- A **Project Manager** can be asked to take on certain tasks in the VCA phase.
- A **Project Officer** can be asked to take on certain supporting tasks.

For more detailed information on roles, responsibilities and tasks, see Annex 3.1.

Mandatory Involvement

- Programme Manager CSR.
- RVO Private Sector Development coach.
- Sector Account Manager.

Deliverables

- VCA study;
- Decision on developing a Business Case.

Annexes to support you during this phase:

- Process Map: Phase 3 (Annex 3.1);
- ToR Template for the VCA study (Annex 3.2);
- Decision Framework (Annex 3.3).

Go/No Go

If the VCA phase confirms the viability of a project, you finalise your Business Case Idea and pitch the project in front of the Programme Committee. The Programme Committee conducts a final check whether your BCI complies with guidelines for approval and whether it is compatible with the CBI project portfolio. If your pitch is accepted, you will start writing your Business Case.

Explanation
You now conduct your research in order to gain an in-depth understanding of the VC on which you want to focus. The VCA phase must at least contain a VCA study conducted by one or more external consultants. A VCA study has to be included in order to get objective and independent advice on the opportunities and risks involved with developing a project in a specific VC. At the start of the VCA study process, you develop a Terms of Reference document containing the research questions (as formulated in the Business Case Idea phase) to which the VCA study should find answers.

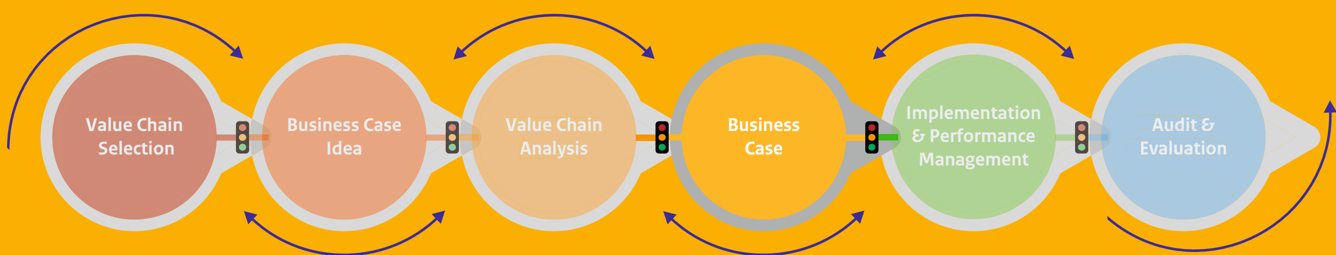
Together with the Programme Manager Market Intelligence, you closely guide the external consultants rather than merely depending on them. The VCA study is a good opportunity to build a network in the sector and the target country. Look for opportunities to join the consultants for interviews with the private sector, European importers, sector associations, and so on. This process is especially important in countries where CBI has little or no experience.

You also use the other methods that you have chosen in your Business Case Idea to answer your research questions. You are encouraged to involve RVO colleagues in the research and organise strategic conferences with stakeholders in the target country in order to verify the results and explore opportunities for cooperation in solving issues, bottlenecks, and so on.

Guided by the Approval Process (Annex 3.3), a Programme Committee (currently consisting of two CBI Team Managers, two RVO colleagues and an observer from the Ministry of Foreign Affairs) advises the CBI Managing Director on whether a Business Case for a project can be developed. The CBI Managing Director decides whether or not you can continue and whether budget will be made available.


adidas

4
Business Case



Phase 4: Business Case

Duration: 2 months.

Where are you now?
You now have a thorough understanding of the European market and the competitive position of the Value Chain (VC) in your country. You have mapped the composition, structure and sustainability of the VC, identified key obstacles and opportunities for SMEs to realise export growth, and gained an understanding of possible interventions to overcome constraints or seize opportunities.

Goals of phase 4

In this phase, you develop a Business Case (BC) in which you:

- Describe the objectives and focus of the project;
- Determine the targets of your project;
- Set the proposed multi-annual budget;
- Describe the context and justification of your project in relation to the outcomes of the Value Chain Analysis (VCA);
- Develop a result chain;
- Describe possible interventions;
- Establish a method to measure the extent to which you have reached your targets, including CBI's 10 Key Performance Indicators (KPI);
- Where possible, collect baseline data (for more information, see Annex 5.8 in the next phase).

After finishing your BC, your goal is to:

- Ask for approval from the Management Team to start implementing the project;
- Ask for budget approval for the first 1.5 years of your project.

Note: After 1.5 years of implementation, the project manager reviews the first phase of implementation with the CAM and the Team Manager. Your experiences will enable you to assess whether your original Business Case is still valid or (when major deviations have occurred) whether you will need to write an addendum to your Business Case. Major deviations to the original business case, or the conclusion that a Business Case is not viable after all, will be discussed between all managers in the Management Team before a decision on the way forward is taken.

Roles & responsibilities

- The **Programme Manager** takes the lead.
- A **Project Manager** can take on tasks of the **Programme Manager**, provide input and offer support to develop the Business Case.
- A **Programme Manager M&E** advises on the developed result chain and the M&E plan.
- A **Project Officer** can be asked to take on certain supporting tasks.

Mandatory Involvement

- Programme Manager CSR.
- Market Intelligence Programme Manager.
- RVO internal stakeholders.
- Major stakeholders in the country, such as local government or the Dutch embassy, will contribute to your Business Case too.

Deliverables

- A Business Case according to the template in Annex 4.2 (incl. result chain and M&E plan with baseline data).
- An updated Country Information Document (template, see Annex 4.10).

Annexes to support you during this phase:

- Process Map: Phase 4 (Annex 4.1);
- Business Case Template (Annex 4.2);
- Tested strategies for developing EEE and BEC interventions (Annex 4.3);
- Develop your Result Chain (Annex 4.4);
- Develop your M&E plan (Annex 4.5);
- Monitoring Support Tool (Annex 4.6);
- CSR Strategic Plan (Annex 4.7);
- CSR Risk Assessment Template (Annex 4.8);
- Country Programme Fact Sheet Template (Annex 4.9);
- Country Information Document Template (Annex 4.10);
- Decision framework (Annex 4.11).

Go/No Go

You share your Business Case Documentation with CBI's Management Team. The Management Team conducts a final check on available budget and the quality of the Business Case, based upon a decision framework. Once approved by CBI's Managing Director, you are ready for the implementation of the Business Case.

Explanation

Objectives and focus

You now develop a Business Case for your project. In this Business Case, you define the added value, objectives, interventions, result chain and the budget of your project. You also describe what interventions you aim to implement in order to solve the key obstacles for SME exporters to enter the European market. When describing the objectives and focus of your project, it is helpful to think about the specific added value of CBI. What will your project change? Are you looking for company certification? Are you promoting sustainability? Is there a need for better-designed products? Are you focusing on a specific niche market? To determine the objective and focus of your project, you can refer to the descriptions that you created earlier in the Business Case Idea and make the link with the observed constraints and bottlenecks specified in the Value Chain Analysis.
You translate your objectives into measurable targets. These targets are quantifications of the indicators that you will include in your M&E plan.

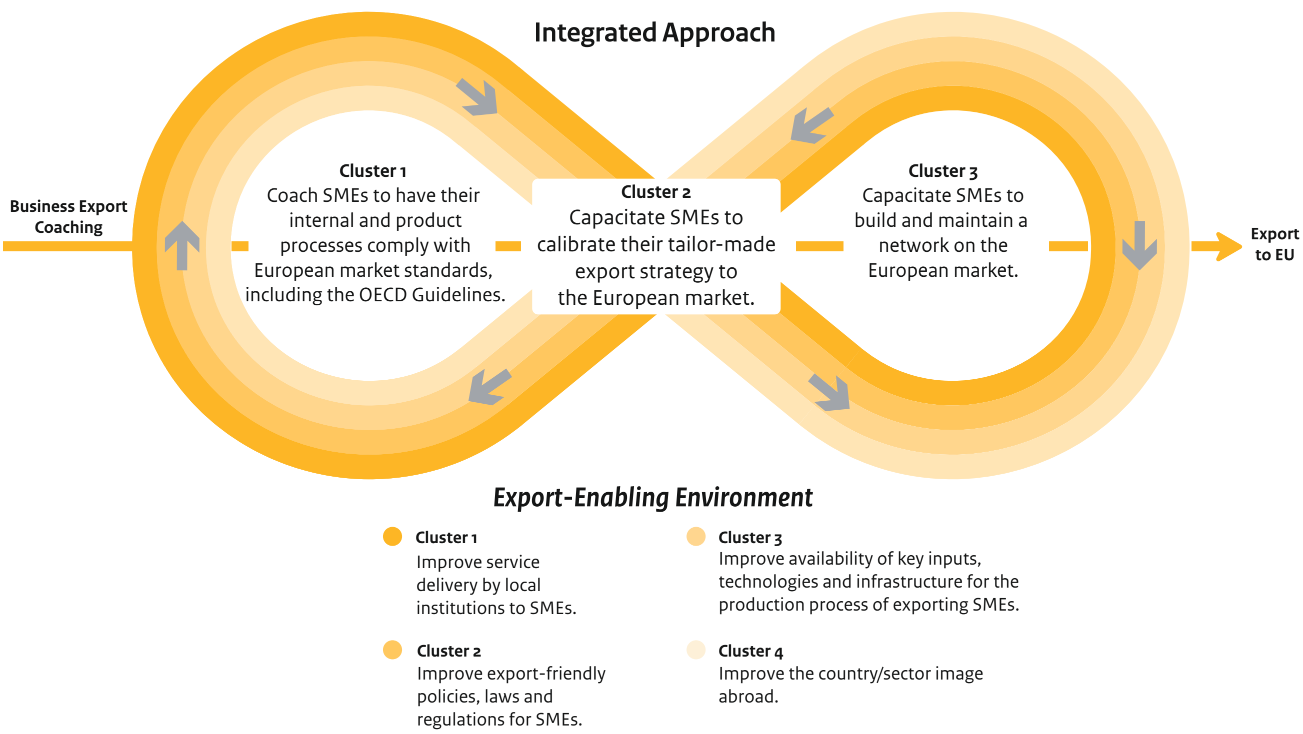
Result chain and intervention design

To capture the change that you are planning to realise, you draft a result chain (see Annex 4.1) that illustrates how your short-term project results will contribute to the long-term outcomes. You then describe more specifically the underlying interventions in the following paragraphs of the Business Case. For this purpose, you should consult Annex 4.3. This annex contains many examples and cases of tested strategies, and describes CBI's integrated approach.

When designing a project, you need to pay particular attention to the interaction between micro-level interventions (focused on supporting companies) and meso-level interventions (focused on the export-enabling environment). SMEs that wish to export to Europe should not only have their own business practises in order, they also need to operate in a favourable business environment (also called the export-enabling environment). These micro-level interventions and meso-level interventions need to be tackled in an integrated manner.

The figure below shows the relationship between companies and their enabling environment.

Figure 3: Integrated approach



We have combined intervention strategies in clusters that tackle the following bottlenecks often identified in VCAs.

Business Export Coaching

- Cluster 1: Strategies to coach SMEs to have their internal and product processes comply with European market standards, including the OECD Guidelines;
- Cluster 2: Strategies to capacitate SMEs to calibrate their tailor-made export strategy to the European market;
- Cluster 3: Strategies to capacitate SMEs to build and maintain a network on the European market.

Export-Enabling Environment

- Cluster 1: Strategies to improve service delivery by local institutions to SMEs;
- Cluster 2: Strategies to improve export-friendly policies, laws and regulations for SMEs;
- Cluster 3: Strategies to improve availability of key inputs, technologies and infrastructure for the production process of exporting SMEs;
- Cluster 4: Strategies to improve the country/sector image abroad.

We aim to improve exports not just in terms of quantity but also in terms of quality (see annex 4.7 CSR strategic plan). Corporate Social Responsibility is an important part of all our activities. Therefore, while writing your Business Case, you will conduct the CSR risk assessment to ensure that CSR components are sufficiently embedded in your intervention design.

Developing your M&E plan

In your Business Case, you also establish the method to measure and monitor the performance of your project. For this purpose, you develop an M&E plan. This plan contains "proxies" for the outputs and outcomes that you aim to realise, and defines and measures whether your projects are on the way to achieve outcomes such as export growth, employment or improved CSR.

CBI's Strategic Plan (2016-2020) predefines 10 mandatory Key Performance Indicators (KPIs). These indicators are used to measure CBI's overall performance towards the goals set in the multi-annual plan. By gaining insight into our results, we advance the dialogue between companies, partners, experts and colleagues about the work that we do. It also enables comparisons across programmes to promote learning and serves as a means of accountability on the proper spending of funds towards the Minister for Foreign Trade and Development Cooperation.

The Minister for Foreign Trade and Development Cooperation has requested CBI to harmonise its monitoring system with international DCED standards and other PSD instruments. All PSD instruments have been required to provide information on a standard set of PSD indicators. This procedure will allow the Ministry of Foreign Affairs to report progress towards the SDG targets on international platforms. As these indicators are also part of the BZ Doelenboom ("MFA Target Tree"), they will be included in the "Resultatenfiche" (http://www.dutchdevelopmentresults.nl/) as well as on the IATI website (https://aiddata.rvo.nl/).

Examples of Focus in current CBI Business Cases

- To attract more positive attention to Nepal as a tourist destination after the earthquakes in 2015.
- To implement a new national quality standard for avocados, supported by the public and private sector in Colombia.
- To strengthen sustainable, long-term and efficient linkages between cotton farmers, mills and organic Pima cotton garments exporters in Peru on the one hand, and high-end garments buyers in Europe on the other hand.
- To create a healthy and sustainable business model for producers and traders of Gifts & Living products in amongst others Indonesia and Ghana: by acquiring Fair Trade certification, and by professionalising their businesses.
- To position Ethiopian speciality coffee as the finest and most original selection of premium coffees in the world, ahead of other countries' long-established speciality coffees.
- To promote and integrate sustainable development principles into business development models, in order to safeguard the long-term profitability of the tourism sector in Myanmar.
- To improve knowledge and market insights of fish companies in Myanmar, that enables them to make better export-related decisions.

These are the 10 mandatory KPIs:
- Number of companies with supported plans to invest or trade;
- Number of strengthened farmers'/workers'/entrepreneurs'/traders' organisations for a sustainable local business climate;
- Number of SMEs that are committed to Corporate Social Responsibility;
- Number of companies with a completed Export Marketing Plan;
- Number of competent exporters directly supported by CBI;
- Number of business contacts between importers (both EU/EFTA and non-EU/EFTA) and supported SMEs;
- Export (EUR) from directly supported SMEs in developing countries to non-EU/EFTA markets;
- Number of directly supported SMEs that realise export to EU/EFTA markets;
- Export (EUR) from directly supported SMEs in developing countries to EU/EFTA markets;
- Total number of direct jobs supported (number of employees).

You must include these indicators in the M&E plans of all projects (for more information, see the Monitoring Support tool in Annex 4.6). If they are really not applicable to your project, you should explain the reason why.

In addition to the KPIs, Programme Managers are invited and encouraged to continue to customise their M&E plan through project-specific performance indicators. For examples, see Annex 4.5.
You should conduct a baseline as soon as possible, but it is likely that you can only do so after the companies have been selected. Information from the application form and audit tool are pivotal to acquire baseline information.

Important consultation
While developing your Business Case, you gather and incorporate feedback from both internal and external stakeholders. The Business Case is developed with contributions from a team of CBI colleagues (Monitoring & Evaluation, CSR, Market Intelligence, and the Sector and Country Account Managers). You ask advice from other RVO colleagues such as the PSD Coach, the Business Development Coach and Programme Managers of other RVO programmes (ORIO/DRIVE, PSI/DGGF, FDW and FDOV). You also consult the Dutch Embassy in your country and a representative of the European business community. Finally, major stakeholders in the country – which might have been consulted during the VCA phase as well – contribute to the Business Case too.

Budget and Approval
Once you have described your Business Case, you are able to make an estimation of the budget needed for the 3–5 years of your project. The final version, including annexes, is dated and submitted to the Financial Officer. The Financial Officer advises on the available budget and updates CBI's financial perspective.

Subsequently, you proceed to:
- Submit your Business Case to your Team Manager;
- Your Team Manager will present the Business Case to the Management Team;
- Based on the Decision Framework, the MT decides whether or not to start implementing the project;
- Ask for budget approval for the first 1.5 years of your project.

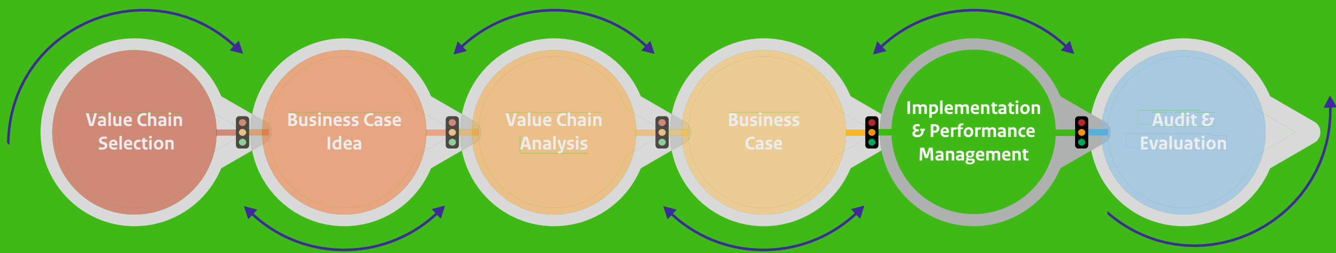
The Team Manager and CBI Department Manager approve the original document of the finalised Business Case by signing it.

Note: After 1.5 years of implementation, the project manager reviews the first phase of implementation with the CAM and the Team Manager. Your experiences will enable you to assess whether your original Business Case is still valid or (when major deviations have occurred) whether you will need to write an addendum to your Business Case. Major deviations to the original business case, or the conclusion that a Business Case is not viable after all, will be discussed between all managers in the Management Team before a decision on the way forward is taken.

Once your Business Case is approved, the Country Account Manager updates the Country Information Document and the Country Fact Sheet.

Finally, in consultation with the Financial Officer, you process the Business Case in CBI's financial management systems and update HBAT/Sage according to the instructions in the Administrative Document.

5
Implementation & Performance Management



Phase 5: Implementation & Performance Management

Duration: 3-5 years.

Where are you now?
You now have an approved Business Case that describes the added value, objectives, intervention, result chain and budget of your project. It also contains targets, a result chain, a description of your interventions and an M&E plan.

Goals of phase 5
The goal of this phase is to develop and implement the specific activities of your project and to manage for development results by implementing an effective monitoring and reporting system (based on your M&E plan).

Roles & responsibilities

- The **Team Manager** appoints **Programme** and/or **Project Managers**.
- **Project Managers** develop the project plan, that is based on the Business Case.
- The **Country Account Managers** approve the project plans.
- The **Project Manager** organizes a kick-off in country and implementation can start.
- During this Implementation phase, you as **Project Manager** continuously monitor your project by producing and using progress and financial reports, HBAT/Sage reports and Certified Results surveys.
- The **Programme Manager** acts on changes and deviations from the Business Case.
- The **Team Manager** discusses progress on a biannual base with the **Programme Manager**, approves the progress reports and decides whether an addendum to the original Business Case needs to be written (in case of major deviations).
- The **Project Officer** will conduct several tasks related to market entry activities and other operational issues.

Deliverables

At the end of this phase, you will have:

- Developed your project plan;
- Achieved results in line with your Business Case objectives and targets;
- Prepared annual progress reports to review your progress;
- Acted on changes and deviations from your Business Case.

Annexes to support you during this phase:

- Process Map: Phase 5 (Annex 5.1);
- Project Plan Template (Annex 5.2);
- M&E Plan Template (Annex 5.3);
- Tested strategies for developing EEE and BEC interventions (Annex 5.4);
- List of Institutional Risks (Annex 5.5);
- List of Business Export Coaching risks (Annex 5.6);
- How to ensure Effective Company Commitment in your Business Export Coaching (Annex 5.7);
- How to conduct a baseline (see Annex 5.8 and Annex 4.5 "Develop your M&E Plan");
- Monitoring Support Tool and Certified Results instruction (see Annex 4.6 and Annex 5.9a, 5.9b, 5.9c and 5.9d);
- Process Budget Approval (Annex 5.10);
- Progress Report Template (Annex 5.11);
- CSR Roadmap (Annex 5.12).

Go/No Go

The progress reports are discussed on a yearly base with the Team Manager. When major deviations occur, you will need to write an addendum to your Business Case. If targets fail to be met, or if the issues are too many and too complicated to overcome, this situation might result in terminating the project. This will be discussed in the Management Team. Agreements made between Team Manager and Programme Manager about the work plan for the coming year are formalised by signing both the progress report and the associated budget and work plan.

Examples and cases: Experiences in Implementation

- Quinoa Project Plan (Annex 5.13);
- Example Progress Report Tourism Asia (Annex 5.14);
- Case Study Result Area 1 EEE: NepalNOW Campaign (Annex 5.15);
- Case Study Result Area 2 EEE: Hass Avocados Colombia (Annex 5.16);
- Case Study Result Area 3 EEE: Pima Cotton Peru (Annex 5.17);
- Case Study Result Area 4 EEE: Speciality Coffee Ethiopia (Annex 5.18);
- Case Study Result Area 1 BEC: Fair Trade Finest (Annex 5.19);
- Case Study Result Area 1 BEC: Sustainable Tourism Asia (Annex 5.20);
- Case Study Result Area 2 BEC: EXPRO Fish Myanmar (Annex 5.21);
- Case Study Result Area 3 BEC: B2B Oilseeds Uganda (Annex 5.22);
- Example Addendum Business Case HDHT (Annex 5.23);
- Example Business Case Agrofood Central America (Annex 5.24);
- Example KPI Planning Tool (Annex 5.25).

Go/No Go

The first go/no-go moment is the approval of the project plans by the Team Manager and Financial Officer. Only when the project plans have been individually approved, the implementation of the project can start.

The second important go/no-go moment is after the first 1.5 years of implementation, when the Programme and Project Manager discuss with their Team Manager whether or not the original Business Case needs to be amended. This decision is made after 18 months, because the Programme Manager will have a better insight into the targets, KPIs and the necessary budgets after 1.5 years of being active in the project.

The third go/no-go moment takes place every year in February when annual progress reports are discussed. In addition to the yearly programme progress report (with associated budget and workplan), Certified Results surveys have to be submitted in February to show what results have been achieved and what still needs to be done with the respective budget to reach the target. In a meeting with the Project Manager, the Country Account Manager and the Team Manager, you assess what issues may have arisen and whether you can still achieve the expected results. In the event that deviations from the project planning are required, you discuss the extent of and the budget for these deviations. When major deviations occur, the Project Manager writes an addendum to the Business Case.

Explanation
As the outline of your Business Case is known, you can now assign tasks within your team to develop, lead and conduct specific activities.

Project plans contain an activity plan, staffing plan and tentative budget. For examples, see Annex 5.13. As a source of inspiration for developing project plans, you can use the description of CBI's tested interventions and strategies found in Annex 5.4. These annexes also describe how to select companies to join your project, how to conduct a company audit, what types of training can be applicable or how to strengthen local institutions. Experienced Programme Managers have also described several cases of how they dealt with issues that they came across during the implementation. This process has resulted in a list of institutional risks (Annex 5.5), a list of Business Export Coaching risks (Annex 5.6) and advice on how to ensure Effective Company Commitment (Annex 5.7).

As you have started the implementation, it might be useful to consider lessons learnt and experiences from your colleagues. To this end, you are requested to consult with CBI and RVO colleagues as well as to assess the different options and ideas written in annex 5.4, that follow the clusters that were mentioned before:

Business Export Coaching
- Cluster 1: Strategies to coach SMEs to have their internal and product processes comply with European market standards, including the OECD Guidelines;
- Cluster 2: Strategies to capacitate SMEs to calibrate their tailor-made export strategy to the European market;
- Cluster 3: Strategies to capacitate SMEs to build and maintain a network on the European market.

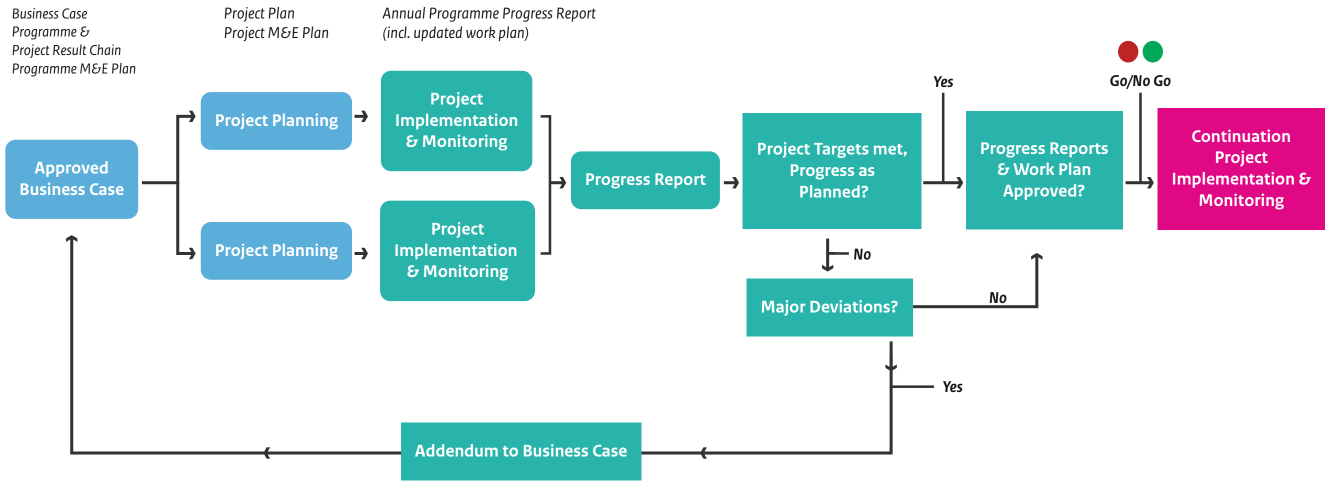
Export-Enabling Environment
- Cluster 1: Strategies to improve service delivery by local institutions to SMEs;
- Cluster 2: Strategies to improve export-friendly policies, laws and regulations for SMEs;
- Cluster 3: Strategies to improve availability of key inputs, technologies and infrastructure for the production process of exporting SMEs;
- Cluster 4: Strategies to improve the country/sector image abroad.

After the Team Manager and the Financial Officer have approved the project plans, the project manager organises a kick-off with all the stakeholders in-country. Based on their feedback, project plans can be adjusted. Afterwards, the implementation of the project can start.

The implementation begins with the promotion of your project via online applications and CBI's network in the specific country. After the application period has finished, the Project Team can start with the audit and selection of companies to ensure they fulfill all criteria set by CBI. Once the selected companies have signed a commitment letter, Programme Managers should check and verify whether the bottlenecks identified in the VCS/VCA phase are relevant to the SMEs participating in the project. In some cases you will need to adjust your project plans to answer to the needs of the participating companies. How to attract companies and promote your project, how to execute the audit and the selection of companies, and how to verify your projects' bottlenecks is explained in an annex that will be developed in 2017. Once these initial parts of the project implementation have been completed, the multi-year project plan can be implemented to achieve results according to your Business Case objectives and targets.

Performance management
An integral part of managing programmes and projects is performance management. You have to assess how your project is performing against the targets described in the result chain and the M&E plan for the project. To this end, you conduct a baseline (see Annex 5.8). Performance management should lead to action; it is there to ensure that action is taken if a project threatens to fall short of its objective.

Figure 4: Performance Managment Cycle



You measure the performance of your projects by:
1. Collecting information through Programme Progress Reports;
2. Evaluating the measured results against the targets defined in the performance indicators.

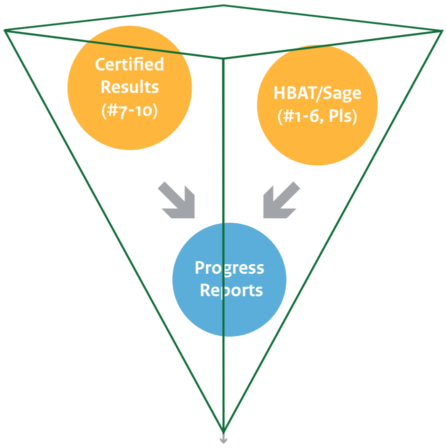
To assess the extent to which you are achieving results, you regularly collect data, which form the basis for monitoring. To monitor project-specific progress, you use the project-specific performance indicators that you have chosen for your project's M&E plan.

The monitoring data come from two sources:
1. Internally generated information – information gathered through reports by consultants and stakeholders, or information collected by your colleagues in the course of implementation. This information is consolidated in the Programme Progress Reports and embedded in HBAT/Sage;
2. Externally generated information – information on what CBI regards as Key Performance Indicators of export and employment, collected through the "Certified Results" surveys by the project beneficiaries and validated by supporting experts.

You have two formal reporting moments:
1. Programme Progress Reports, including a data download from HBAT/Sage and a proposed budget for the upcoming year, due every year in February;
2. A data download from HBAT/Sage, due every year in August.

Annex 4.6, the Monitoring Support Tool, explains in more detail how monitoring data are stored in CBI's management information systems and how to interpret and measure the indicators.

Figure 5: Key Performance Indicators of CBI.



#	Key Performance Indicators
1	Number of companies with supported plans to invest or trade.
2	Number of strenghtened (farmers'/workers'/entrepeneurs'/traders') organisations for a sustainable local business climate.
3	Number of SMEs that are commited to Corporate Social Responsibility.
4	Number of companies with an Export Marketing Plan.
5	Number of competent exporters directly supported by CBI.
6	Number of business contacts between importers and supported SMEs.
7	Export (EUR) from directly supported SMEs in developing countries to non-EU/EFTA markets.
8	Number of directly supported SMEs that realise export to EU/EFTA markets.
9	Export (EUR) from directly supported SMEs in developing countries to EU/EFTA markets.
10	Number of full-time jobs (equivalent) supported.
	+ Programme Specific Indicators

Every year (in February), as a Project Manager, you write a progress report for your projects, which is integrated in a Country Programme Report written by the CAM. If your annual progress reports show that performance of the indicators is on track, the project will continue as planned.

Reviewing
The progress reports are combined with a planning section, where lessons learnt and insights are incorporated into next year's planning. These progress reports and planning documents need to be approved by the TM, as they are pivotal to budget approval for the following year. For details on this process, please see Annex 5.10.

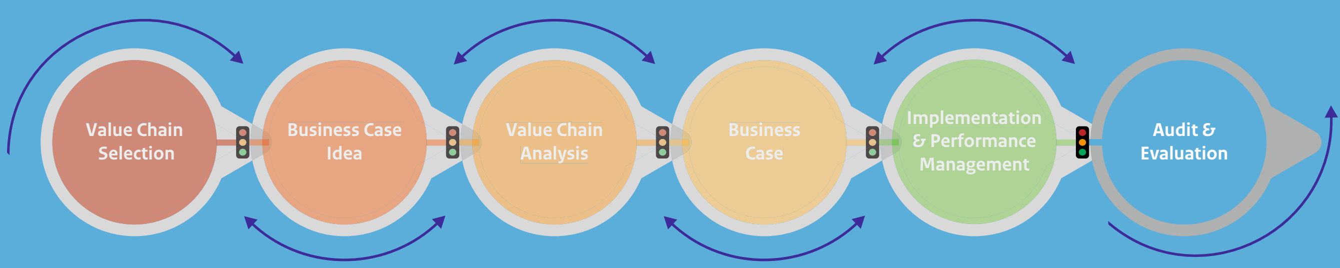
Revising
You need to discuss major changes in your plans with your Team Manager as well as with key stakeholders in the project. We consider changes to be major if they would have made an impact on the decision to approve the Business Case. See Annex 5.11 (Progress Report Template) for more details on which changes in the project design require approval. When major deviations occur, the Project Manager writes an addendum to the Business Case: you might adjust targets, introduce new activities, revise the original result chain or add other, more relevant indicators. This process could also result in a change of budget, as well as in the decision to terminate the project. Every significant mutation in the Business Case should be followed by a discussion with the TM on the continuation of the project. Naturally, any extreme changes in local circumstances that unexpectedly affect the project require an addendum to the Business Case even if the progress report is not due any time soon.

Learning
You also discuss your lessons learnt and the progress of your project with your team members (Team EPM 1 & 2). The M&E Programme Managers operate as facilitators during these team meetings. They aggregate the data collected on the sector and regional level, and share the main findings and lessons learnt in an aggregated manner. Interactive methods facilitate learning and stimulate exchange on best (and worst) practises. Core data on the Key Performance Indicators are also discussed on the level of the MT.

From then on, the cycle of reporting and management responses repeats itself until the project is finalised.

In addition to the regular annual reporting, you discuss with your manager after the first 1.5 years of implementation whether or not your original Business Case needs to be amended.

6
Audit & Evaluation



Phase 6: Audit & Evaluation

Duration: 3 months - 1 year.

Where are you now?
You have implemented your project and conducted the final project activities.

Goals of phase 6
In this phase, you close your project. You write a Closing Document to reflect on the results achieved and lessons learnt, update your archive, audit the project with your colleagues, and close the files in HBAT/Sage and EBS. Once the project has been closed, you discuss with the M&E Team whether it will be included in CBI's evaluation planning.

Roles & responsibilities

- The **Project Manager** follows all instructions as explained in the "Guidelines for Closing your Programme" to close the project administratively and conduct the audit.
- The **Project Manager** discusses the Closing Document with the **Country Account Manager** and the **Team Manager**.
- The **Team Manager** approves the Final Programme Report.
- The **Programme Manager M&E** takes the lead in composing a team for the audit.
- The **Programme Manager M&E** decides with the **Management Team** on the evaluation planning, as only a representative sample of all projects are evaluated.

Deliverables

- Updated EBS and HBAT/Sage information;
- Closing Document;
- Updated archive;
- Audit Report;
- Evaluation Report (if applicable).

Annexes to support you during this phase:

- Process Map: Phase 6 (Annex 6.1);
- Guidelines for Closing your Programme (Annex 6.2);
- Final Programme Report Template – Closing Document (Annex 6.3);
- CBI MfDR Audit Template (Annex 6.4);
- Example ToR for Evaluation (Annex 6.5);
- Template for Management Response to the Evaluation (Annex 6.6).

Explanation

Within one month after your final project activity, you close your project administration. You update the status of companies and BSOs in HBAT/Sage and send a request for closure in EBS to the Financial Officer. The list of actions that you need to take to complete your project are summarised in Annex 6.2.

You also write a Closing Document to demonstrate what results have been achieved over the years and how the project has developed over time. The Closing Document is signed off by your Team Manager within two months after your final project activity was conducted.

Once your Closing Document has been finalised and your archive updated, you audit the project. Through the audit, we verify whether the project was implemented according to the principles of Managing for Development Results (MfDR). By compiling all necessary documentation (Business Case, project plans, progress reports), we ensure that CBI is prepared for upcoming external evaluations.

The audit is a team effort, involving a Programme Manager from another team (Team EPM 1 or Team EPM 2), a Project Officer and a member of the M&E Team. The audit serves three purposes: accountability, verification of your documentation on expenditures, and on results (outputs and outcome). Furthermore, by making it a team effort, exchange and learning between teams is promoted. RVO's Internal Audit Service has assisted in the development of the audit format and supervises the correct execution of the audits. The Team Manager signs the final audit report and presents it to the CBI Managing Director.

A selection of projects are evaluated for learning purposes. The M&E Team makes this selection in close consultation with CBI's Programme Coordinator and the Management Team. The evaluations make use of the IOB evaluation criteria of Relevance, Effectivity, Efficiency and Sustainability. The selection is based on the following four criteria:

- The priority areas. The selection of topics for evaluation is guided by the priority areas defined in the CBI Strategic Plan 2016-2020;
- The success of the project. Highly successful and highly unsuccessful projects tend to convey the clearest lessons learnt and are therefore considered for evaluation;
- The sector on which the project focused. Projects that were executed in sectors selected in 2017 are preferred for evaluation to projects in sectors where CBI will phase out its activities;
- The country. Projects in countries where CBI continues to work after 2017 are preferred for evaluation to projects in countries where CBI will phase out its activities.

The projects evaluated should be a representation of our total portfolio of projects as prescribed by the Minister for Foreign Trade and Development in the "Protocol resultaatbereiking en evalueerbaarheid in PSD 2011 e.v." ("Protocol for results achievement and evaluability in PSD 2011 et seq."). We take into account the issues raised by the 2015 IOB evaluation[4] for the learning questions that guide the evaluations.

The evaluations are conducted by an external, independent evaluation team. It is tendered under the RVO IO Framework contract, in which 14 consortia have been preselected. The outcomes of the evaluation are discussed during reflection workshops with CBI Project and Programme Managers. In addition, the M&E Team prepares the document "Management response to Evaluation" with key lessons learnt and follow-ups. This document is presented, discussed, altered and eventually agreed on by the Management Team. The M&E Team and the CBI Managing Director monitor and approve the execution of the proposed follow-ups.

In addition to these evaluations, CBI follows a separate research track to measure impact. Impact studies allow us to establish contribution and attribution effects. Through a scientific approach, CBI can substantiate that the export results of participating companies have been realised thanks to CBI projects. A selection of new projects will be included in mid-term and end-term baseline measurements conducted by an external research institute.

[4] IOB conducts independent research on the effectiveness and efficiency of Dutch foreign policy and assists policymakers in their accountability for the results of their policies.

Colophon

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